

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

In re:	:	CHAPTER 11
	:	
ROOSEVELT INN, LLC and	:	Bky. No. 21-11697 (AMC)
ROOSEVELT MOTOR INN, INC.	:	
	:	JOINTLY ADMINISTERED
Debtors	:	

**ORDER REGARDING JOINT MOTION OF PLAINTIFFS M.B., C.A., B.H., AND K.R.
FOR RELIEF FROM AUTOMATIC STAY**

AND NOW, upon consideration of the Joint Motion of Unsecured Creditors/Personal Injury Plaintiffs M.B., C.A., B.H., and K.R. for Relief from the Automatic Stay (the “Relief from Stay Motion”), the Debtor’s Objection to the Relief from Stay Motion and the Samsung Fire & Marine Insurance Co., Ltd. (“Samsung”) Response thereto, and after a status conference held on August 18, 2021 regarding these matters and for the reasons stated on the record at the conference, the Court hereby finds as follows:

A. On June 16, 2021 (the “Petition Date”), Roosevelt Inn, LLC (“Roosevelt Inn Debtor”) and Roosevelt Motor Inn, Inc. (collectively the “Debtors”), each filed a voluntary Chapter 11 bankruptcy petition in this Court. The Debtors’ bankruptcy cases are jointly administered under Bankruptcy Case No. 21-11697 (AMC).

B. Prior to the Petition Date, Movants M.B., C.A., B.H. and K.R. each commenced separate civil actions in the Court of Common Pleas of Philadelphia County as follows:

1. M.B. commenced an action at March Term 2017, No. 00712, on March 10, 2017 (the “M.B. Action”);
2. C.A. commenced an action at March Term 2019, No. 03355, on March 27, 2019 (the “C.A. Action”);

3. B.H. commenced an action at March Term 2019, No. 03356, on March 27, 2019 (the “B.H. Action”); and

4. K.R. commenced an action at November Term 2019, No. 00552 (the “K.R. Action”). The M.B. Action, the C.A. Action, the B.H. Action, and the K.R. Action are collectively referred to herein as the “Tort Actions”.

C. On June 16, 2021, Yagna Patel (“Patel”), UFVS Management Company, LLC (“UFVS” and together with Patel the “Debtors’ Related Parties”), and the Debtors and together with the Debtors’ Related Parties, (collectively, the “Roosevelt Defendants”) filed a suggestion of Bankruptcy on the docket in each of the M.B. Action, the C.A. Action, the B.H. Action, and the K.R. Action. Thereafter, the Court of Common Pleas of Philadelphia County placed each of the Tort Actions in a deferred status.

D. The Defendants in the Tort Actions, as of the Petition Date, are set forth on Exhibit “A” hereto.

E. On July 2, 2021, the Roosevelt Defendants filed a Notice of Removal in the United States District Court for the Eastern District of Pennsylvania pursuant to 28 U.S.C. §§ 1334 and 1452(a) and Rule 9027 of the Bankruptcy Rules with respect to the M.B. Action. The removed E.D. Pa. action is civil action number 2:21-CV-02984. The Notice of Removal with respect to the M.B. Action removed all claims asserted by all parties in the M.B. Action.

F. On July 20, 2021, the Roosevelt Defendants filed Notices of Removal in the United States District Court for the Eastern District of Pennsylvania pursuant to 28 U.S.C. §§ 1334 and 1452(a) and Rule 9027 of the Bankruptcy Rules with respect to certain claims in the C.A. Action

(E.D. Pa. civil action No. 2:21-CV-03222), the B.H. Action (E.D. Pa. civil action No. 2:21-CV-03225) and the K.R. Action (E.D. Pa. civil action No. 2:21-CV-03218).¹

G. On or about July 30, 2021, multiple other defendants in the C.A. Action, the B.H. Action, and the K.R. Action, respectively, filed Notices of Removal in the United States District Court for the Eastern District of Pennsylvania removing additional claims asserted in those actions. The additional Notice of Removal with respect to C.A. Action was assigned E.D. Pa. civil action No. 2:21-CV-03392, the additional Notice of Removal with respect to B.H. Action was assigned E.D. Pa. civil action No. 2:21-CV-03396, and the additional Notice of Removal with respect to the K.R. Action was assigned E.D. Pa. civil action No. 2:21-CV-03401. The Roosevelt Defendants have not appeared in these actions.

H. On July 29, 2021, M.B., C.A., B.H. and K.R. each filed a Motion for Remand or Abstention, seeking the return of the M.B. Action and the claims that were removed by the Roosevelt Defendants in the C.A. Action, the B.H. Action and the K.R. Action to the Philadelphia County Court of Common Pleas. On August 12, 2021, the Roosevelt Defendants filed a Memorandum of Law in Opposition to each of the Plaintiffs' Motions for Remand or Abstention.

I. On August 18, 2021, C.A., B.H. and K.R. each filed a Motion to Void Removal or for Abstention, seeking the return of the claims in the C.A., B.H. and K.R. Actions that were removed by multiple other Defendants to the Philadelphia Court of Common Pleas.

J. On July 23, 2021, M.B., C.A., B.H. and K.R. filed the Relief from Stay Motion seeking relief from the automatic stay of 11 U.S.C. §362(a) for the limited purpose of liquidating their respective personal injury tort claims against the Debtors.

¹ Defendant Yagna Patel, an employee of the Debtor and defendant in the M.B. Action, is not a defendant in the C.A. Action, the B.H. Action or the K.R. Action.

K. On August 13, 2021, the Debtors filed their Objection to the Relief from Stay Motion and Samsung filed its Response to the Relief from Stay Motion.

L. UFVS is an affiliate of the Debtors, a Defendant in the M.B. Action, C.A. Action, B.H. Action, and K.R. Action, and an additional insured on certain of the primary and excess insurance policies issued prepetition to the Debtors.

M. Patel is an employee of the Roosevelt Inn Debtor and a Defendant in the M.B. Action only, and an additional insured on certain of the primary and excess insurance policies issued prepetition to the Debtors.

N. On August 18, 2021, this Court held a status conference with respect to the Relief from Stay Motion, during which, inter alia, the Court addressed the scope of the automatic stay of 11 U.S.C. §362(a).

O. At the August 18, 2021 status conference, the Court was informed that the Plaintiffs in the Tort Actions assert claims against the Debtors' Related Parties (as to Patel only in the M.B. Action) which may affect insurance policies issued prepetition to the Debtors and deplete estate assets.

P. Alpha-Centurion Security, Inc. ("Alpha") was named by plaintiffs as a defendant with Debtors and Debtors' Related Parties (as to Patel, only in the M.B. Action) in the Tort Actions. Alpha was retained by the Debtors to provide security guard services at the Debtors' hotel during the relevant time periods of Plaintiffs' respective claims in the Tort Actions. In each of the Tort Actions, the Debtors and Debtors' Related Parties filed crossclaims against Alpha. Further, Nationwide Insurance Company, one of the Debtors insurance companies, has brought two of Alpha's insurance companies (Philadelphia Indemnity Company and Capital Specialty Insurance Corporation) into the Debtors' coverage action pending before the United State District Court in the EDPA (C.A. 18-cv-04365 (CDJ)). The outcome or disposition of the

Plaintiffs, Debtors and Debtors' Related Parties claims against Alpha may affect insurance policies issued prepetition to the Debtors, alter the Debtors' claims, defenses, rights, liabilities, and options and may impact the Debtors' assets available to compensate holders of allowed tort claims. In addition, in the M.B. Action, Alpha asserted crossclaims against Debtors and Debtors' Related Parties. Such claims may affect insurance policies issued prepetition to the Debtors and may also impact Debtors' claims, defenses, rights, liabilities, options and assets available to compensate holders of allowed tort claims.

Q. The Court finds that it is appropriate at this time to clarify the scope of the automatic stay of 11 U.S.C. §362 through this Order.

Accordingly, it is ORDERED and DECREED as follows:

1. Upon the filing of their Chapter 11 bankruptcy petitions on the Petition Date, a stay of certain actions against Debtors, Roosevelt Inn LLC and Roosevelt Motor Inn, Inc. went into effect automatically pursuant to 11 U.S.C. §362(a). In addition, the Court finds the automatic stay applies with equal force and effect to the Debtors' Related Parties and Alpha.

2. The Court makes no ruling at this time as to whether relief from the automatic stay pursuant to 11 U.S.C. §362(d) should be granted to allow M.B., C.A., B.H. or K.R. to continue prosecuting any of the Tort Actions against the Debtors, the Debtors' Related Parties or Alpha, and the rights of the parties with respect thereto are preserved. The Court will hold further proceedings regarding the issue of whether relief should be granted to allow M.B., C.A., B.H. or K.R. to continue prosecuting any of the Tort Actions against the Debtors, the Debtors' Related Parties or Alpha.

3. Exhibit "B" to this Order contains a list of certain non-Debtor parties (the "Designated Parties") in the C.A. Action, the B.H. Action, and the K.R. Action.

4. The automatic stay provisions of 11 U.S.C 362 do not apply to directly stay, limit, or in any way impair the continued prosecution of the C.A. Action, the B.H. Action, or the K.R. Action against any of the Designated Parties. Further, continued prosecution of the C.A. Action, the B.H. Action, and the K.R. Action against the Designated Parties only will not have any effect on the Debtors' insurance policies as a result of cross claims, counterclaims, third party claims, or other claims. For the avoidance of doubt, the Debtors, the Debtors' Related Parties and Alpha **are not** "Designated Parties". Continued prosecution of the C.A. Action, the B.H. Action, and the K.R. Action with respect to the Designated Parties only will not violate the automatic stay of 11 U.S.C. 362.

5. Accordingly, this Court, by issuing this Order, seeks to clarify that the C.A. Action, the B.H. Action, and the K.R. Action may proceed with respect to the claims of C.A., B.H. and K.R. against the Designated Parties only.

6. The findings and conclusions of the Court herein are applicable without regard to whether the Tort Actions are pending in federal court or are remanded to state court.

Date: September 21, 2021



Honorable Ashely M. Chan
United States Bankruptcy Judge

EXHIBIT "A"

Claimant	Common Pleas Case No.	Defendants (as of June 16, 2021)
M.B.,	March Term 2017, No. 00712	Roosevelt Inn LLC d/b/a Roosevelt Inn and Roosevelt Inn Café Roosevelt Motor Inc., Inc. d/b/a Roosevelt Motor Inn UFVS Management Company, LLC Yagna Patel Alpha-Centurion Security, Inc. d/b/a Alpha Centurion Security, Inc.
C.A.	March Term 2019, No. 03355	Roosevelt Inn LLC Roosevelt Inn LLC d/b/a Roosevelt Inn Roosevelt Motor Inn, Inc. UFVS Management Company, LLC Alpha-Centurion Security, Inc. 4200 Roosevelt LLC 4200 Roosevelt LLC d/b/a Days Inn 4200 Rose Hospitality LLC 4200 Rose Hospitality d/b/a Days Inn Days Inn Surati Management Group Days Inn by Wyndham d/b/a Days Inn Wyndham Worldwide Corporation Wyndham Hotel Group, LLC Wyndham Hotels and Resorts, LLC Wyndham Hotel Management, Inc. Wyndham Destinations, Inc. Wyndham Hotels & Resorts, Inc. Days Inns Worldwide, Inc.

		<p>North American Motor Inns, Inc. d/b/a North American Motor Inns Ramara, Inc. Ashoka Investments & Management Services Ritz Hotel Group, Inc. American Motor Inns, Inc. Jerel Jackson William Coit Adrian Palmer</p>
B.H.	<p>March Term 2019, No. 03356</p>	<p>Roosevelt Inn LLC Roosevelt Inn LLC d/b/a Roosevelt Inn Roosevelt Motor Inn, Inc. UFVS Management Company, LLC Alpha-Centurion Security, Inc. 4200 Roosevelt LLC 4200 Roosevelt LLC d/b/a Days Inn 4200 Rose Hospitality LLC 4200 Rose Hospitality d/b/a Days Inn Days Inn Surati Management Group Days Inn by Wyndham d/b/a Days Inn Wyndham Worldwide Corporation Wyndham Hotel Group, LLC Wyndham Hotels and Resorts, LLC Wyndham Hotel Management, Inc. Wyndham Destinations, Inc. Wyndham Hotels & Resorts, Inc. Days Inns Worldwide, Inc. North American Motor Inns, Inc. d/b/a North American Motor Inns Ramara, Inc. Ashoka Investments & Management Services</p>

		Ritz Hotel Group, Inc. American Motor Inns, Inc. Anthony Brooks Maurice Bailey
K.R.	November Term 2019, No. 00552	Roosevelt Inn LLC Roosevelt Inn LLC d/b/a Roosevelt Inn Roosevelt Motor Inn, Inc. UFVS Management Company, LLC Alpha-Centurion Security, Inc. 4200 Roosevelt LLC 4200 Roosevelt LLC d/b/a Days Inn 4200 Rose Hospitality LLC 4200 Rose Hospitality d/b/a Days Inn Days Inn Wyndham Worldwide Corporation Wyndham Hotel Group, LLC Wyndham Hotels and Resorts, LLC Wyndham Hotel Management, Inc. Wyndham Destinations, Inc. Wyndham Hotels & Resorts, Inc. Days Inns Worldwide, Inc. Jerel Jackson Adrian Palmer

EXHIBIT “B”

Designated Parties

Claimant	Common Pleas Case No.	Defendants (as of June 16, 2021)
C.A.	March Term 2019, No. 03355	4200 Roosevelt LLC 4200 Roosevelt LLC d/b/a Days Inn 4200 Rose Hospitality LLC 4200 Rose Hospitality d/b/a/ Days Inn Days Inn Surati Management Group Days Inn by Wyndham d/b/a Days Inn Wyndham Worldwide Corporation Wyndham Hotel Group, LLC Wyndham Hotels and Resorts, LLC Wyndham Hotel Management, Inc. Wyndham Destinations, Inc. Wyndham Hotels & Resorts, Inc. Days Inns Worldwide, Inc. North American Motor Inns, Inc. d/b/a North American Motor Inns Ramara, Inc. Ashoka Investments & Management Services Ritz Hotel Group, Inc. American Motor Inns, Inc. Jerel Jackson William Coit Adrian Palmer
B.H.	March Term 2019, No. 03356	4200 Roosevelt LLC 4200 Roosevelt LLC d/b/a Days Inn 4200 Rose Hospitality LLC 4200 Rose Hospitality d/b/a Days Inn Days Inn

		<p>Surati Management Group Days Inn by Wyndham d/b/a Days Inn Wyndham Worldwide Corporation Wyndham Hotel Group, LLC Wyndham Hotels and Resorts, LLC Wyndham Hotel Management, Inc. Wyndham Destinations, Inc. Wyndham Hotels & Resorts, Inc. Days Inns Worldwide, Inc. North American Motor Inns, Inc. d/b/a North American Motor Inns Ramara, Inc. Ashoka Investments & Management Services Ritz Hotel Group, Inc. American Motor Inns, Inc. Anthony Brooks Maurice Bailey</p>
K.R.	<p>November Term 2019, No. 00552</p>	<p>4200 Roosevelt LLC 4200 Roosevelt LLC d/b/a Days Inn 4200 Rose Hospitality LLC 4200 Rose Hospitality d/b/a Days Inn Days Inn Wyndham Worldwide Corporation Wyndham Hotel Group, LLC Wyndham Hotels and Resorts, LLC Wyndham Hotel Management, Inc. Wyndham Destinations, Inc. Wyndham Hotels & Resorts, Inc. Days Inns Worldwide, Inc. Jerel Jackson Adrian Palmer</p>